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STPDTS

E.O. 12958: DECL: 01/15/2012
TAGS: PGOV PREL PHUM ECON EU PREL PHUM ECON EU IT ITPGOV ITALIAN POLITICS
SUBJECT: BERLUSCONI,S FOREIGN POLICY ADDRESS: ITALY REMAINS
STRONGLY IN EUROPE, BUT THINKS OF NATIONAL INTERESTS

CLASSIFIED BY: CHARGE WILLIAM P. POPE, REASONS 1.5 (B) AND (D). CONFIDENTIAL

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# SUMMARY

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11. (C) IN HIS JANUARY 14 FOREIGN POLICY SPEECH BEFORE PARLIAMENT, PRIME MINISTER BERLUSCONI AGAIN EMPHASIZED ITALY'S SOLID SUPPORT FOR AND COMMITMENT TO REMAIN WITHIN EUROPE. HE COMMENDED THE EURO AND REAFFIRMED THAT ITALY'S FOREIGN POLICY WOULD NOT EXPERIENCE A SEA CHANGE DURING HIS TIME AT THE HELM AT THE MFA. THE MFA ITSELF, HE SAID, WOULD BE "REFORMED," INCLUDING TO BETTER REPRESENT ITALIAN ECONOMIC AND COMMERCIAL INTERESTS. BERLUSCONI GAVE NO HINT OF WHO MIGHT BE APPOINTED ITALY'S NEXT FOREIGN MINISTER, BUT SAID HE WOULD HOLD THE REINS HIMSELF AS LONG AS NECESSARY. THE OPPOSITION, PREDICTABLY, FOUND HIS SPEECH INSUFFICIENT. WHICH FOREIGN POLICY WILL ITALY FOLLOW, THE DS' FASSINO ASKED RHETORICALLY? WE CONTINUE TO SEE THIS AS AN INTERNAL DEBATE, WITH THE OPPOSITION SEEKING TO MAKE POLITICAL HAY OVER AN ACTION THAT RESULTED FROM A CLASH OF PERSONALITIES. BERLUSCONI IS NOT/NOT SEEKING TO DIVORCE ITALY FROM EUROPE. END SUMMARY.

"ITALY VS. EUROPE" -- WHERE'S THE BEEF?

12. (U) BERLUSCONI CHARACTERIZED RECENT POLEMICS IN ITALY AND ABROAD OVER THE GOI'S DEGREE OF EUROPEANISM AS "MUCH ADO ABOUT NOTHING." HE SAID THE GOI'S COMMITMENT AND THAT OF ITS GOVERNING MAJORITY IS TO "CHANGE ITALY, MODERNIZE THE STATE, AND RE-LAUNCH THE ECONOMY," BUT ONLY BY "REMAINING FIRMLY ANCHORED TO EUROPE." HE SAID THE "EURO WORKS; THIS IS A GOOD AND INDISPUTABLE TRUTH."

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  13. (U) WHAT REMAINS, THE PRIME MINISTER CONTINUED, IS FOR EUROPE TO WORK TOWARD POLITICAL INTEGRATION. SUCH A PROCESS IS LONG AND INVOLVED; IT IS NOT "A BOOK THAT IS ALREADY WRITTEN BY AN UNKNOWN AUTHOR, NOR A MANUAL OF PROVISIONS AND DOGMA THAT MUST BE IMPLEMENTED WITHOUT DISCUSSION."

  POLITICAL INTEGRATION WILL RISE FROM THE COLLECTIVE WORK OF THE EU'S ELECTED INSTITUTIONS, NATIONAL PARLIAMENTS, AND GOVERNMENTS, WITH THE CONTRIBUTION OF THE EU COMMISSION, THE EU CONVENTION, AND ALL SECTORS OF SOCIETY, INCLUDING CULTURE, LAW, BUSINESS, DIPLOMACY, CIVIL SOCIETY, AND RELIGIOUS INSTITUTIONS.
- 14. (U) ON THE "PLAN OF ACTION" FOR A POLITICALLY INTEGRATED EUROPE, BERLUSCONI SAID THE ITALIAN DEBATE IS OPEN AND INVITED THE OPPOSITION TO JOIN IT, IN ORDER TO FACILITATE THE CONSTRUCTION OF THE NEW EUROPE AND DETERMINE ITALY'S ROLE THEREIN. HE SAID THE GOI WOULD APPOINT ITS DELEGATES TO THE EU CONVENTION BY THE END OF JANUARY. HE SAID HE COULD NOT PREDICT THE OUTCOME OF THEIR WORK, BECAUSE SEVERAL DECISIVE ISSUES REMAIN OPEN AND ARE STILL BEING DEBATED BY MANY COUNTRIES AND GOVERNMENTS. LISTING SOME, HE MENTIONED FULL LIBERALIZATION OF THE ENERGY SECTOR, THE REFORM OF THE LABOR MARKET AND OF WELFARE, AGRICULTURE POLICIES, THE HARMONIZATION OF TAX LAWS, SUPRA-NATIONAL RULES FOR CORPORATE GOVERNANCE, A COMMON FOREIGN POLICY, AND A COMMON DEFENSE POLICY WITHIN NATO. HE STRESSED THAT THE GOI "WILL WORK TOWARD POLITICAL INTEGRATION BASED ON THE WIDEST POSSIBLE BASIS OF CONSENT AND LEGITIMIZATION," BECAUSE "NO EUROPEAN SOVEREIGNTY CAN BE ESTABLISHED WITHOUT FULL-FLEDGED EUROPEAN CITIZENSHIP." WITH THIS IN MIND, HE NOTED THE NEED FOR THE "ABSOLUTELY NECESSARY SYNERGY BETWEEN SUPRA-NATIONAL ISSUES CONFIDENTIAL
- PAGE 04 ROME 00241 01 OF 02 151734Z AND INTRA-GOVERNMENTAL ISSUES" IN THE CONSTRUCTION OF EUROPEAN UNIFICATION. HE ALSO STATED THAT THE GOI WOULD "CONTINUE TO WORK AGAINST ALL VISIONS OF CENTRALIZED BUREAUCRACY."
- 15. (U) BERLUSCONI ALSO NOTED THAT THE SYSTEM OF "ENHANCED COOPERATION" WITHIN EUROPE WORKS, BUT ARGUED THAT IT ABSOLUTELY MUST TAKE INTO CONSIDERATION THE NEEDS OF NATIONS THAT HAVE REMAINED OUTSIDE OF THE ORGANIZATION AND WILL JOIN IN THE FUTURE. HE UNDERSCORED THAT "DIRECTORATES" ARE A "CLAMOROUS STRATEGIC MISTAKE," AND REMARKED THAT "ITALY WILL KNOW HOW TO MAKE ITSELF HEARD TO PROTECT ITS NATIONAL

INTERESTS ALONGSIDE THE COMMON INTERESTS OF A SPEEDY AND EFFICIENT -- ALBEIT SOLIDLY LEGITIMIZED -) INTEGRATION." HE ADVOCATED ITALY'S HISTORIC AND SOLID EUROPEANIST TRADITION AND ITS "CONVICTION" THAT EUROPE'S FOUNDATIONS "WERE NOT BORN OUT OF POLITICS, BUT OUT OF CHRISTIANITY THAT FUSED HELLENISM AND ROMAN CIVILIZATION." RECALLING ITALY'S FORMER PM AND FM ALCIDE DE GASPERI (1881-1954), ONE OF THE EU'S FOUNDING FATHERS, BERLUSCONI ARGUED THAT EUROPE IS "PHENOMENON OF CIVIL UNITY: A RELIGIOUS, CULTURAL, AND CIVIL UNITY THAT UNITED POPULATIONS ON THIS SIDE AND THAT OF THE ATLANTIC OCEAN UNDER THE NAME OF WEST."

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#### SIPDIS

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RUGGIERO'S DEPARTURE FOR "PERSONAL REASONS"

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16. (SBU) ON RUGGIERO'S RECENT "RESIGNATION" (SIC) AS FM, BERLUSCONI REMARKED THAT, IN ACCEPTING THE TENURE AT THE MFA, RUGGIERO HAD STATED HIS INTENTION TO GIVE HIMSELF A DEADLINE, FOR PERSONAL REASONS. (THE OPPOSITION BOOED BERLUSCONI'S REFERENCE TO RUGGIERO'S DEPARTURE FOR "PERSONAL REASONS.") BERLUSCONI THANKED RUGGIERO FOR HIS LOYALTY WHILE IN GOVERNMENT. HE ADDED THAT HE WOULD FILL IN FOR RUGGIERO "WITH DEDICATION AND ENTHUSIASM" FOR THE LENGTH OF TIME NECESSARY TO "RE-ORIENT" THE MFA'S WAY OF WORKING. "WE MUST KNOW HOW TO SELL THE PRODUCT OF OUR TALENT WITHOUT ANY COMPLEXES... WE MUST BE ON THE MARKET WITH ALL OF ITALY'S FORCE AND ITS POLITICAL, ECONOMIC, AND CULTURAL WEIGHT." BERLUSCONI ADDED THAT HE DID NOT INTEND TO DECIMATE THE MFA OR OVERHAUL IT COMPLETELY.

# OPPOSITION: "WHICH EUROPEAN POLICY IS ITALY'S?"

17. (SBU) THE CENTER-LEFT REACTED PREDICTABLY TO PM BERLUSCONI'S SPEECH: REGARDLESS OF HIS WORDS, THEY DECLARED &EUROSCEPTICISM8 THE CAUSE OF RUGGIERO,S DISMISSAL AND BERLUSCONI,S ASSUMPTION OF THE FOREIGN MINISTRY. DEMOCRATS OF THE LEFT (DS) LEADER PIERO FASSINO CHARACTERIZED BERLUSCONI,S DECLARATIONS AND COMMITMENTS TO EUROPE AS VAGUE, FOLLOWED BY TOO MANY 'IFS' AND 'BUTS'. HE ADDED THAT THERE ARE TWO DIFFERENT IDEAS IN THE GOVERNMENT: ONE THAT SEES EUROPE AS A NECESSARY EVIL FROM WHICH TO DEFEND ONESELF AND LIMIT DAMAGES, AND THE OTHER, RUGGIERO'S LINE, DECIDEDLY PRO-EUROPE. FASSINO SAID BERLUSCONI FAILED TO EXPLAIN WHICH EUROPEAN POLICY THE GOVERNMENT INTENDS TO DEVELOP OVER THE NEXT FEW MONTHS. DAISY PARTY LEADER FRANCESCO RUTELLI

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CHARGED THAT, WITH HIS SPEECH, BERLUSCONI STEPPED OUT OF THE
PRO-EUROPEAN FURROW PLOWED BY ITALY OVER HALF A CENTURY. HE
CONTINUED THAT THE GOVERNMENT CHOSE A BAD MOMENT TO LAUNCH A
EUROSCEPTICAL OFFENSIVE WHICH WOULD DAMAGE ITALY'S NATIONAL
INTEREST COMING ON TOP OF A SERIES OF POLEMICS, FROM THE
EUROPEAN ARREST WARRANT, TO DECISIONS ON THE AIRBUS, TO
LOCATIONS FOR EU COMMITTEES. FINALLY, MASSIMO D'ALEMA, DS
PRESIDENT AND FORMER PM, DISMISSED THE PRIME MINISTER'S
SPEECH AS "POINTLESS PROVOCATION" WHICH OFFERED NO
EXPLANATION FOR RUGGIERO'S RESIGNATION.

18. (SBU) IN HIS SPEECH, FASSINO MADE REFERENCE TO STATEMENTS BY DEFENSE MINISTER ANTONIO MARTINO AND JUSTICE MINISTER ROBERTO CASTELLI THAT SUGGEST ANY MAGISTRATE IN ANY COUNTRY COULD WAKE UP ONE MORNING AND DECIDE TO ARREST ANYONE HE PLEASES. FASSINO RECALLED THIS WAS SPARKED BY THE LAW ON ROGATORIES. FASSINO ENDED BY SAYING THAT &THE OPPOSITION WILL TAKE ACTION, IF THIS GOVERNMENT DOESN'T, TO KEEP ITALY IN EUROPE."

### COMMENT

- 19. (C) UPON READING A COMPLETE TEXT OF BERLUSCONI'S SPEECH, THERE IS LITTLE TO JUSTIFY THE ALLEGATIONS OF ITALY'S CENTER-LEFT OPPOSITION. THEY ARE, IN SHORT, DOING WHAT IS NORMAL IN POLITICS -- SEEKING AN ELECTORAL AND POPULAR ADVANTAGE. AS NOTED, INTER ALIA, IN THE JANUARY 15 NEW YORK TIMES ARTICLE "BERLUSCONI SAYS ITALY WON'T TAKE EUROPE'S ORDERS," ITALIANS ARE STRONGLY PRO-EUROPE. THEY ARE ALSO BY AND LARGE PRO-BERLUSCONI, SOMETHING THE OPPOSITION CLEARLY WANTS TO CHANGE. WHAT WE FIND MORE DIFFICULT TO EXPLAIN IS
- PAGE 04 ROME 00241 02 OF 02 151740Z THE OVERWHELMING TENOR OF THE MEDIA HEADLINES (NOT ONLY IN ITALY) WHICH, REGARDLESS OF WHETHER THEY SIT ATOP LARGELY ACCURATE ARTICLES, INVARIABLY REFLECT THE TONE AND TENOR OF ITALY'S OPPOSITION.
- 110. (C) BERLUSCONI IS FLAGGING ISSUES NOT UNFAMILIAR, FROM OUR UNDERSTANDING HERE, TO BRITAIN'S PRIME MINISTER TONY BLAIR OR TO OUR OWN PRESIDENT. THE QUESTIONS HE RAISES ARE ONES THAT THE EUROPEAN UNION WILL INDEED HAVE TO TACKLE AS IT WRESTLES WITH ITS DEVELOPMENT AND THE SHAPE OF THINGS TO COME AND SEEKS TO COME TO GRIPS WITH ITS "DEMOCRATIC DEFICIT." PROMOTION OF NATIONAL INTERESTS IS NOT TANTAMOUNT TO BETRAYING INSTITUTIONS OF WHICH A NATION IS A MEMBER, OR IN THIS CASE, DOES NOT EQUATE TO BEING "ANTI-EUROPE." WE REMAIN CONVINCED THAT THE "ITALY VS. EUROPE" DEBATE IS LITTLE BUT SMOKE AND MIRRORS. ITALY'SFOREIGN POLICY HAS NOT CHANGED WITH THE DEPARTUR OF RUGGIERO AND BERLUSCONI'S AUTO-APPOINTMENT A FOREIGN MINISTER. WHAT WE ARE WATCHING IS A DOMSTIC SPAT BETWEEN SITTING GOVERNMENT AND OPPOSITIO, SPARKED BY THE OUTSPOKEN AND FRANKLY INSUBORDIATE BEHAVIOR OF AN OUTSIDER CABINET MEMBER.

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